REFERENCE TITLE: JTEDs; omnibus

State of Arizona House of Representatives Forty-seventh Legislature Second Regular Session 2006

## **HB 2700**

 $\label{eq:continuous} Introduced\ \ by \\ Representatives\ \ Anderson,\ \ Knaperek,\ \ Weiers\ \ J,\ \ Yarbrough,\ \ Senator\ \ Burns:$ 

Representatives Allen J, Barnes, Biggs, Burges, Hershberger, McClure, Murphy, Nichols, Pearce, Smith, Stump, Weiers JP, Senator Johnson

## AN ACT

AMENDING SECTIONS 15-391, 15-393, 15-395, 15-789 AND 15-910.01, ARIZONA REVISED STATUTES; REPEALING LAWS 2005, CHAPTER 329, SECTION 13; RELATING TO JOINT TECHNOLOGICAL EDUCATION DISTRICTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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Be it enacted by the Legislature of the State of Arizona: Section 1. Section 15-391, Arizona Revised Statutes, is amended to read:

## 15-391. <u>Definitions</u>

In this article, unless the context otherwise requires:

- 1. "Joint board" means a joint technological education district governing board.
  - 2. "Joint district" means a joint technological education district.
- 3. "JOINT TECHNOLOGICAL EDUCATION COURSE" MEANS A COURSE THAT IS OFFERED BY A JOINT TECHNOLOGICAL EDUCATION DISTRICT AND THAT MEETS EACH OF THE FOLLOWING REQUIREMENTS:
- (a) IS DESIGNED TO DIRECTLY LEAD THE STUDENT TOWARD A SPECIFIC CAREER, VOCATION OR INDUSTRY.
- (b) IS TAUGHT BY AN INSTRUCTOR WHO IS CERTIFIED TO TEACH CAREER AND TECHNICAL EDUCATION BY THE STATE BOARD OF EDUCATION OR BY A POSTSECONDARY EDUCATIONAL INSTITUTION.
  - (c) REQUIRES SPECIALIZED EQUIPMENT.
- (d) IS DESIGNED TO LEAD THE STUDENT TOWARD CERTIFICATION THAT IS ACCEPTED BY A VOCATION OR INDUSTRY AS A DEMONSTRATION OF SKILL OR COMPETENCY IN THAT VOCATION OR INDUSTRY.
- (e) MEETS FOR AT LEAST ONE HUNDRED FIFTY MINUTES PER CLASS PERIOD OR TWELVE AND ONE-HALF HOURS PER WEEK FOR AT LEAST ONE HUNDRED EIGHTY DAYS PER YEAR OR ITS EQUIVALENT AS APPROVED BY THE SUPERINTENDENT OF PUBLIC INSTRUCTION.
- (f) MEETS THE STANDARDS OF A CAREER PREPARATORY VOCATIONAL PROGRAM AS DETERMINED BY THE CAREER AND TECHNICAL EDUCATION DIVISION OF THE DEPARTMENT OF EDUCATION.
- (g) IS CERTIFIED BY THE JOINT TECHNOLOGICAL EDUCATION DISTRICT GOVERNING BOARD AS HAVING MET ALL THE REQUIREMENTS OF THIS ARTICLE.
- (h) IS APPROVED BY THE CAREER AND TECHNICAL EDUCATION DIVISION OF THE DEPARTMENT OF EDUCATION.
  - (i) IS ONLY OFFERED TO STUDENTS IN GRADES TEN, ELEVEN AND TWELVE.
- 4. "JOINT TECHNOLOGICAL EDUCATION DISTRICT" MEANS A DISTRICT THAT IS FORMED PURSUANT TO THIS ARTICLE AND THAT OFFERS JOINT TECHNOLOGICAL EDUCATION COURSES.
  - 3. 5. "State board" means the state board of education.
  - Sec. 2. Section 15-393, Arizona Revised Statutes, is amended to read: 15-393. <u>Joint technological education district governing board:</u>

<u>definition</u>

A. The management and control of the joint district are vested in the joint technological education district governing board, INCLUDING THE CONTENT AND QUALITY OF THE COURSES OFFERED BY THE DISTRICT, THE QUALITY OF TEACHERS WHO PROVIDE INSTRUCTION ON BEHALF OF THE DISTRICT, THE SALARIES OF TEACHERS WHO PROVIDE INSTRUCTION ON BEHALF OF THE DISTRICT AND THE REIMBURSEMENT OF OTHER ENTITIES FOR THE FACILITIES USED BY THE DISTRICT. Unless the governing

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boards of the school districts participating in the formation of the joint district vote to implement an alternative election system as provided in subsection B of this section, the joint board shall consist of five members elected from five single member districts formed within the joint district. The single member district election system shall be submitted as part of the plan for the joint district pursuant to section 15-392 and shall be established in the plan as follows:

- 1. The governing boards of the school districts participating in the formation of the joint district shall define the boundaries of the single member districts so that the single member districts are as nearly equal in population as is practicable, except that if the joint district lies in part in each of two or more counties, at least one single member district may be entirely within each of the counties comprising the joint district if this district design is consistent with the obligation to equalize the population among single member districts.
- 2. The boundaries of each single member district shall follow election precinct boundary lines, as far as practicable, in order to avoid further segmentation of the precincts.
- 3. A person who is a registered voter of this state and who is a resident of the single member district is eligible for election to the office of joint board member from the single member district. The terms of office of the members of the joint board shall be as prescribed in section 15-427, subsection B. A PERSON WHO IS EMPLOYED BY A SCHOOL DISTRICT IN THIS STATE OR WHO IS A MEMBER OF A SCHOOL DISTRICT GOVERNING BOARD IS NOT ELIGIBLE TO SERVE ON THE JOINT BOARD.
- 4. Nominating petitions shall be signed by the number of qualified electors of the single member district as provided in section 16-322.
- B. The governing boards of the school districts participating in the formation of the joint district may vote to implement any other alternative election system for the election of joint district board members. If an alternative election system is selected, it shall be submitted as part of the plan for the joint district pursuant to section 15-392, and the implementation of the system shall be as approved by the United States justice department.
- C. The joint technological education district shall be subject to the following provisions of this title:
  - 1. Chapter 1, articles 1 through 6.
  - 2. Sections 15-208, 15-210, 15-213 and 15-234.
  - 3. Articles 2, 3 and 5 of this chapter.
  - 4. Section 15-361.
  - 5. Chapter 4, articles 1, 2 and 5.
  - 6. Chapter 5, articles 1, 2 and 3.
- 7. Sections 15-701.01, 15-722, 15-723, 15-724, 15-727, 15-728, 15-729 and 15-730.
  - 8. Chapter 7, article 5.

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                Chapter 8, articles 1, 3 and 4.
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          10.
                SECTION 15-816.01, SUBSECTIONS B AND C.
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          <del>10.</del> 11.
                     Sections 15-828 and 15-829.
                     Chapter 9, articles 1, 6 and 7.
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          <del>11.</del> 12.
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          <del>12.</del> 13.
                     Sections 15-941, 15-943.01, 15-948, 15-952, 15-953 and 15-973.
                      Sections 15-1101 and 15-1104.
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          <del>13.</del> 14.
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          14. 15. Chapter 10, articles 2, 3, 4 and 8.
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- D. Notwithstanding subsection C of this section, the following apply to a joint technological education district:
- 1. A joint district may issue bonds for the purposes specified in section 15-1021 and in chapter 4, article 5 of this title to an amount in the aggregate, including the existing indebtedness, not exceeding one per cent of the taxable property used for secondary tax purposes, as determined pursuant to title 42, chapter 15, article 1, within the joint technological education district as ascertained by the last property tax assessment previous to issuing the bonds.
- 2. The number of governing board members for a joint district shall be as prescribed in subsection A of this section.
- 3. If a career and technical education and vocational education course or program provided pursuant to this article is provided in a facility owned or operated by a school district in which a pupil is enrolled, including satellite courses, the sum of the daily attendance, as provided in section 15-901, subsection A, paragraph 6, for that pupil in both the school district and joint technological education district shall not exceed 1.250 and the sum of the fractional student enrollment, as provided in section 15-901, subsection A, paragraph 2, subdivision (a), shall not exceed 1.250 for the courses taken in the school district and the facility, including satellite courses. The school district and the joint district shall determine the apportionment of the daily attendance and fractional student enrollment for that pupil between the school district and the joint district.
- 4. The student count for the first year of operation of a joint technological education district as provided in this article shall be determined as follows:
- (a) Determine the estimated student count for joint district classes that will operate in the first year of operation. This estimate shall be based on actual registration of pupils as of March 30 scheduled to attend classes that will be operated by the joint district. The student count for the district of residence of the pupils registered at the joint district shall be adjusted. The adjustment shall cause the district of residence to reduce the student count for the pupil to reflect the courses to be taken at the joint district. The district of residence shall review and approve the adjustment of its own student count as provided in this subdivision before the pupils from the school district can be added to the student count of the joint district.

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- (b) The student count for the new joint district shall be the student count as determined in subdivision (a) OF THIS PARAGRAPH.
- (c) After the first one hundred days or two hundred days in session, as applicable, for the first year of operation, the joint district shall revise the student count to the actual student count for students attending classes in the joint district. A joint district shall revise its student count, the base support level as provided in section 15-943.02, the revenue control limit as provided in section 15-944.01, the capital outlay revenue limit and the soft capital allocation as provided in section 15-962.01 prior to May 15. A joint district that overestimated its student count shall revise its budget prior to May 15. A joint district that underestimated its student count may revise its budget prior to May 15.
- (d) After the first one hundred days or two hundred days in session, as applicable, for the first year of operation, the district of residence shall adjust its student count by reducing it to reflect the courses actually taken at the joint district. The district of residence shall revise its student count, the base support level as provided in section 15-943, the revenue control limit as provided in section 15-961 and the soft capital allocation as provided in section 15-962 prior to May 15. A district that underestimated the student count for students attending the joint district shall revise its budget prior to May 15. A district that overestimated the student count for students attending the joint district may revise its budget prior to May 15.
- (e) A joint district for the first year of operation shall not be eligible for adjustment pursuant to section 15-948.
- (f) The procedures for implementing this paragraph shall be as prescribed in the uniform system of financial records.
- (g) If the district of residence utilizes section 15-942 to determine its student count, the district shall reduce its student count as provided in this paragraph by subtracting the appropriate count from the student count determined as provided in section 15-942.
- For the purposes of this paragraph, "district of residence" means the district that included the pupil in its average daily membership for the year before the first year of operation of the joint district and that would have included the pupil in its student count for the purposes of computing its base support level for the fiscal year of the first year of operation of the joint district if the pupil had not enrolled in the joint district.
- 5. A student includes any person enrolled in the joint district without regard to the person's age or high school graduation status, except that:
- (a) A student in a kindergarten program or in grades one through eight NINE who enrolls in courses offered by the joint technological education district shall not be included in the joint district's average daily attendance or average daily membership.

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- (b) A student in a kindergarten program or in grades one through six who is enrolled in vocational education courses shall not be funded in whole or in part with monies provided by a joint technological education district.
- (c) A student who is over twenty-two years of age shall not be included in the student count of the joint district for the purposes of chapter 9, articles 3, 4 and 5 of this title.
- 6. A joint district may operate for more than one hundred seventy-five days per year, with expanded hours of service.
- 7. A joint district may use the excess utility costs provisions of section 15-910 in the same manner as a school district for fiscal years 1999-2000 and 2000-2001, except that the base year shall be the first full fiscal year of operations.
- 8. A joint district may use the carryforward provisions of section 15-943.01 retroactively to July 1, 1993.
- 9. A school district that is part of a joint district shall use any monies received pursuant to this article to supplement and not supplant base year career and technical education and vocational education courses, and directly related equipment and facilities, except that a school district that is part of a joint technological education district and that has used monies received pursuant to this article to supplant career and technological education and vocational education courses that were offered before the first year that the school district participated in the joint district or the first year that the school district used monies received pursuant to this article or that used the monies for purposes other than for career and technological education and vocational education courses shall:
- (a) Use at least thirty-three per cent of the monies received pursuant to this article in fiscal year 2005-2006 to supplement and not supplant base year career and technical education and vocational education courses.
- (b) Use at least sixty-six per cent of the monies received pursuant to this article in fiscal year 2006-2007 to supplement and not supplant base year career and technical education and vocational education courses.
- (c) Use one hundred per cent of the monies received pursuant to this article in fiscal year 2007-2008 and each fiscal year thereafter to supplement and not supplant base year career and technical education and vocational education courses.
- 10. A joint technological education district shall use any monies received pursuant to this article to enhance career and technical education and vocational education courses, and directly related equipment and facilities.
- 11. A joint technological education district or a school district that is part of a joint district shall only include pupils in grades nine TEN through twelve in the calculation of average daily membership or average daily attendance if the pupils are enrolled in courses that are approved jointly by the governing board of the joint technological education district and each participating school district for satellite courses taught within

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the participating school district, or approved solely by the joint technological education district for centrally located courses. Average daily membership and average daily attendance from courses that are not part of an approved program for career and technical education shall not be included in average daily membership and average daily attendance of a joint technological education district.

- $\ensuremath{\mathsf{E}}.$  The joint board shall appoint a superintendent as the executive officer of the joint district.
- F. Taxes may be levied for the support of the joint district as prescribed in chapter 9, article 6 of this title, EXCEPT THAT A JOINT TECHNOLOGICAL EDUCATION DISTRICT SHALL NOT LEVY A PRIMARY OR SECONDARY PROPERTY TAX THAT EXCEEDS FIVE CENTS PER ONE HUNDRED DOLLARS ASSESSED VALUATION. Except for the taxes levied pursuant to section 15-994, such taxes shall be obtained from a levy of taxes on the taxable property used for secondary tax purposes.
- G. The schools in the joint district are available to all persons who reside in the joint district subject to the rules for admission prescribed by the joint board.
- H. The joint board may collect tuition for adult students and the attendance of pupils who are residents of school districts that are not participating in the joint district pursuant to arrangements made between the governing board of the district and the joint board.
- I. The joint board may accept gifts, grants, federal monies, tuition and other allocations of monies to erect, repair and equip buildings and for the cost of operation of the schools of the joint district.
- J. One member of the joint board shall be selected chairman. The chairman shall be selected annually on a rotation basis from among the participating school districts. The chairman of the joint board shall be a voting member.
- K. A joint board and a community college district may enter into agreements for the provision of administrative, operational and educational services and facilities.
- L. ANY AGREEMENT BETWEEN THE GOVERNING BOARD OF A JOINT TECHNOLOGICAL EDUCATION DISTRICT AND ANOTHER JOINT TECHNOLOGICAL EDUCATION DISTRICT, A SCHOOL DISTRICT, A CHARTER SCHOOL OR A COMMUNITY COLLEGE DISTRICT SHALL BE IN THE FORM OF A WRITTEN CONTRACT. THE AUDITOR GENERAL SHALL MODIFY THE UNIFORM SYSTEM OF FINANCIAL RECORDS AND BUDGET FORMS IN ACCORDANCE WITH THIS SUBSECTION. THE WRITTEN CONTRACT SHALL COMPLETELY AND ACCURATELY SPECIFY EACH OF THE FOLLOWING:
- 1. THE FINANCIAL PROVISIONS OF THE CONTRACT AND THE FORMAT FOR THE BILLING OF ALL SERVICES.
  - 2. THE ACCOUNTABILITY PROVISIONS OF THE CONTRACT.
- 3. THE RESPONSIBILITIES OF EACH JOINT TECHNOLOGICAL EDUCATION DISTRICT, EACH SCHOOL DISTRICT, EACH CHARTER SCHOOL AND EACH COMMUNITY COLLEGE DISTRICT THAT IS A PARTY TO THE CONTRACT.

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- 4. THE TYPE OF INSTRUCTION THAT WILL BE PROVIDED UNDER THE CONTRACT.
- 5. THE QUALITY OF THE INSTRUCTION THAT WILL BE PROVIDED UNDER THE CONTRACT.
- 6. THAT THE SERVICES PROVIDED BY THE JOINT TECHNOLOGICAL EDUCATION DISTRICT, THE SCHOOL DISTRICT, THE CHARTER SCHOOL OR THE COMMUNITY COLLEGE DISTRICT BE PROPORTIONALLY CALCULATED IN THE COST OF DELIVERING THE SERVICE.
- 7. THAT THE PAYMENT FOR SERVICES SHALL NOT EXCEED THE COST OF THE SERVICES PROVIDED.
- M. ON OR BEFORE DECEMBER 31 OF EACH YEAR, EACH JOINT TECHNOLOGICAL EDUCATION DISTRICT SHALL SUBMIT A DETAILED REPORT TO THE CAREER AND TECHNICAL EDUCATION DIVISION OF THE DEPARTMENT OF EDUCATION. THE CAREER AND TECHNICAL EDUCATION DIVISION OF THE DEPARTMENT OF EDUCATION SHALL COLLECT, SUMMARIZE AND ANALYZE THE DATA SUBMITTED BY THE JOINT DISTRICTS, SHALL SUBMIT AN ANNUAL REPORT THAT SUMMARIZES THE DATA SUBMITTED BY THE JOINT DISTRICTS TO THE GOVERNOR, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, THE PRESIDENT OF THE SENATE AND THE STATE BOARD OF EDUCATION AND SHALL SUBMIT A COPY OF THIS REPORT TO THE SECRETARY OF STATE AND THE DIRECTOR OF THE ARIZONA STATE LIBRARY, ARCHIVES AND PUBLIC RECORDS. THE DATA SUBMITTED BY EACH JOINT TECHNOLOGICAL EDUCATION DISTRICT SHALL INCLUDE THE FOLLOWING:
  - 1. THE AVERAGE DAILY MEMBERSHIP OF THE JOINT DISTRICT.
- 2. THE COURSE LISTINGS AND COURSE DESCRIPTIONS OF COURSES OFFERED BY THE JOINT DISTRICT.
- 3. THE COSTS ASSOCIATED WITH EACH COURSE OFFERED BY THE JOINT DISTRICT.
  - 4. THE COMPLETION RATE FOR EACH COURSE OFFERED BY THE JOINT DISTRICT.
  - 5. THE GRADUATION RATE OF STUDENTS ENROLLED IN THE JOINT DISTRICT.
- 6. A DETAILED DESCRIPTION OF THE CAREER OPPORTUNITIES AVAILABLE TO STUDENTS AFTER COMPLETION OF THE PROGRAM OFFERED BY THE JOINT DISTRICT.
- 7. A DETAILED DESCRIPTION OF THE CAREER PLACEMENT OF STUDENTS WHO HAVE COMPLETED THE PROGRAM OFFERED BY THE JOINT DISTRICT.
- 8. ANY OTHER DATA DEEMED NECESSARY BY THE DEPARTMENT OF EDUCATION TO CARRY OUT ITS DUTIES UNDER THIS SUBSECTION.
- L. N. For the purposes of this section, "base year" means the complete school year in which voters of a school district elected to join a joint technological education district.
  - Sec. 3. Section 15-395, Arizona Revised Statutes, is amended to read: 15-395. <u>Enlarging joint district</u>
- A. To add school districts to a joint district, the joint board shall first publish a copy of a proposed resolution accepting the school district into the joint district in a newspaper of general circulation in the school district proposing to join the joint district once a week for at least two weeks immediately before the date of the consideration of the adoption of the proposed resolution by the joint board.
- B. After adoption by the joint board of the resolution accepting the school district into the joint district, until December 31, 2001, the

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question shall be submitted to the qualified electors of the district seeking to become a part of the joint district at a general election or at any other election held on a date prescribed in section 16 204. After December 31, 2001, the question shall be submitted to the qualified electors of the district seeking to become a part of the joint district at an election held on the first Tuesday after the first Monday in November. The question that is submitted to the qualified electors shall describe the tax rate that is associated with joining the joint district and the estimated cost of that tax rate for the owner of a single family home that is valued at one hundred thousand dollars. Authorization is required through an intergovernmental agreement A WRITTEN CONTRACT between the joint district and the district seeking to become part of the joint district in order to enlarge the joint district.

Sec. 4. Section 15-789, Arizona Revised Statutes, is amended to read:
15-789. Contracting and cooperative arrangements for career and
technical education and vocational education;
advisory committee

- A. The governing board of a school district may contract with any public body or with any private person for the purpose of providing career and technical education and vocational education. For the purposes of this subsection, school districts are exempt from section 15-213.
- B. School districts or community college districts may independently or jointly make application for career and technical education and vocational education monies.
- C. School districts and community college districts may provide for joint cooperation among themselves and with each other and with any educational institution eligible to receive career and technical education and vocational education monies as provided in section 15-784 for the purposes of providing career and technical education and vocational education and for the use of each other's facilities and personnel.
- D. School districts, among themselves or with community college districts, may jointly purchase, sell, lease or lease-purchase land, buildings or other real or personal property for the purposes of providing career and technical education and vocational education, including establishing a jointly owned and operated vocational and technical center, if:
- 1. The districts enter into an intergovernmental agreement A WRITTEN CONTRACT pursuant to section 11-952.
- 2. The state board of education and, if a community college district is a party to the agreement, the governing board of the community college district approve the intergovernmental agreement WRITTEN CONTRACT.
- E. If one or more school districts, among themselves or with a community college district, enter into an intergovernmental agreement A WRITTEN CONTRACT to establish a jointly owned and operated vocational and technical center, the governing boards of the districts shall establish a

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joint advisory committee for the vocational and technical center consisting of:

- 1. At least one member of each school district governing board or a designated district staff representative appointed by the respective school district governing board.
- 2. If a community college is a party to the agreement, members of the community college district board or designated district staff representatives appointed by the community college district board equal in number to the total number of persons appointed pursuant to paragraph 1 of this subsection.
- 3. Members engaged in commerce or industry in this state equal in number to the total number of persons appointed pursuant to paragraph 1 of this subsection, jointly appointed by the district governing boards.
- F. A school district and a community college district may jointly accept gifts or grants of monies, land or other real or personal property for the purpose of providing career and technical education and vocational education and may administer or dispose of the property in accordance with the purpose of the gift or grant.
- Sec. 5. Section 15-910.01, Arizona Revised Statutes, is amended to read:

## 15-910.01. <u>School district budgets; career and technical</u> education and vocational education center expenses

- A. The governing board of a school district which has entered into an intergovernmental agreement A WRITTEN CONTRACT to establish a jointly owned and operated career and technical education and vocational education center as provided in section 15-789 may budget for vocational maintenance and operation expenses which are specifically exempt in whole or part from the revenue control limit for a period of not to exceed three years beginning the first year that the career and technical education and vocational education center is operating and serving students. The governing board shall notify the state board of education before adopting a budget as provided in this section for the first year of operation of the career and technical education and vocational education center to demonstrate that the center is ready to begin operations.
- B. For each year that a school district is authorized to budget for a joint career and technical education and vocational education center as provided in this section, the district shall determine the budget amount as follows:
- 1. Estimate the average daily membership or adjusted average daily membership for the budget year of students to be enrolled in courses held at the joint career and technical education and vocational education center pursuant to sections 15-901 and 15-902.
- 2. Multiply 0.142 by the base level and multiply this product by the average daily membership or adjusted average daily membership as determined in paragraph 1 of this subsection.

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- C. Before May 15, school districts which overestimate the average daily membership as provided in subsection B, paragraph 1 of this section shall adjust the general budget limit and expenditures based on the actual average daily membership during the current fiscal year. School districts which underestimate the average daily membership may adjust their budgets before May 15 based on the actual average daily membership during the current fiscal year. Procedures for completing adjustments shall be prescribed in the uniform system of financial records. Not later than May 18, the budget as revised shall be submitted electronically to the superintendent of public instruction.
- D. A governing board which budgets for career and technical education and vocational education center expenses pursuant to this section shall:
- 1. Prepare and employ a separate maintenance and operation budget for the career and technical education and vocational education center on a form prescribed by the superintendent of public instruction in conjunction with the auditor general. The budget format shall be designed to allow a school district to plan and provide in detail for expenditures to be incurred solely for the maintenance and operation of the career and technical education and vocational education center.
- 2. Prepare as a part of the annual financial report a detailed report of expenditures incurred solely for the maintenance and operation of the career and technical education and vocational education center.
- E. The part of the primary tax rate set to fund the vocational maintenance and operations expenses as provided in this section shall not be included in the computation of additional state aid for education as prescribed in section 15-972.

Sec. 6. Repeal

Laws 2005, chapter 329, section 13 is repealed.

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